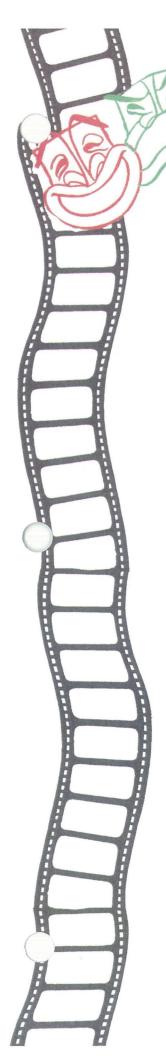


GREENBELT THEATRE PROPOSAL

Paul Sanchez | P&G Theatres, Inc. | December 1, 2014



P&G Theatres, Inc.

ESTABLISHED IN 1970

P.O. BOX 1746 SILVER SPRING, MARYLAND 20915 PHONE: 301-593-2460 FAX: 301-593-2462 EMAIL: pgtheaters@gmail.com

December 1, 2014 Mr. Michael McLaughlin City Manager City of Greenbelt 25 Crescent Road Greenbelt, MD 20770

Dear Mr. McLaughlin,

Enclosed is my proposal for the contract to operate the Greenbelt Theater in Roosevelt Center. I would continue to operate it as a commercial enterprise, screening first-run quality art films. However, the theater would be made available to community groups during hours when films are not normally being exhibited.

I have included a P & L Projection for 2015. I anticipate an annual increase for 2016 and 2017 of between 1 and 2 percent. I believe this plan lays a strong foundation for the future of the theater and will ensure the revitalization of Roosevelt Center as the arts and entertainment center of Greenbelt.

Sincerely

Paul Sanchez President

Executive Summary

My proposal for operating the Greenbelt Theater is based on my past business experience. For the past 23 years my company P & G Theaters has been the contracted operator of the theater, screening first-run quality art films and establishing the theater as a center for contemporary cinema in the Washington, DC metropolitan area. My proposed business plan takes into account that the theater will reopen in 2015 following the completion of Phase 1 of its restoration, which includes a digital projector, after having been closed for eight months. It is a plan that will cost the city a small subsidy, balanced by funding to the City from Maryland state entertainment taxes, as has been the past situation.

I have also included here a description of my work with a community-owned theater, the Avalon in Washington, DC, a two-screen theater that could serve as a model for the future development of the Greenbelt Theater into a center for film. Such a cinema center would be unique to our county, and could be the catalyst for a revitalization of Roosevelt Center as the historic arts and entertainment center of Greenbelt.

In order for such a revitalization to come about, Roosevelt Center must continue to attract visitors from outside Greenbelt. Under my management, the theater has been attracting 600 patrons a week, over 78% of them from outside Greenbelt. These folks also patronize other businesses in Roosevelt Center, such as restaurants, when they come to the theater. The New Deal Cafe similarly has been prospering the last few years, as it builds a reputation for music that draws customers from all over the metropolitan area. Along with the Greenbelt Arts Center's offerings of theater, music and art, and a lively outdoor concert program, Roosevelt Center is poised for a renaissance, especially when you view Roosevelt Center's whole "campus", taking in the Greenbelt Museum, the Greenbelt Branch Library and the Community Center arts programs.

At the same time that Roosevelt Center must continue to attract outside visitors, it needs to retain its historic role as the arts and entertainment center for the community. The New Deal Cafe and the Greenbelt Arts Center are both community-run arts venues, and I believe that there is a very good opportunity for the Greenbelt Theater to evolve into a similarly operated community arts enterprise. However, in order for this to occur, the theater would continue to need to be run on sound business practices while the community creates a solid economic plan for its future, and the City does its part by moving ahead with Phase 2 of the planned restoration.

I will be happy to work with any community groups interested in creating a future community-run center for cinema, and with the City as it moves ahead with its plans for a full renovation for the theater. The proposal I present here I believe will provide the groundwork for this to happen.

Proposed Operating Agreement for the Greenbelt Theater Between the City of Greenbelt (Landlord) and P&G Theatres, Inc. (Tenant)

Term: (4) year

Operating Subsidy from Landlord to Tenant: \$20,000.00 per year, payable in monthly installments of \$1,666.67.

Rent: One dollar per year. It should be noted that in 2013 the tenant paid \$17,040.99 in admissions tax to the Comptroller of Maryland. The State of Maryland forwarded \$16,103.42 of this sum to the City of Greenbelt. It is reasonable to expect that with the current renovations, business should improve, resulting in more tax funds for the City.

Church Rental: Tenant will not rent the theater for church use on Sunday mornings, which will then be available for community programming. However, if the City desires, tenant will solicit a church group. The profit (minus an hourly fee to cover utilities, insurance, etc. of \$50.00 per hour) will be used to reduce the subsidy of \$20,000.00. I would project a profit of \$15,600.00 for a 12 month period from the church rentals. This would leave the subsidy at \$4,400.00, balanced against expected tax revenue to the City of over \$16,000.

Tenant's Responsibilities: Tenant will continue to exhibit first-run art/quality motion pictures.

The theater will be available to community groups during the times the theater is dark. A small hourly fee to cover utilities, insurance, etc. will be charged at the rate of \$50.00 per hour with a two hour minimum.

Classic films will be continue to be shown on the first Saturday of the month, unless a community group requests the space.

Tenant will continue to make the theater available for film festivals during nonoperating hours.

Landlord's Responsibilities: Landlord will be responsible for repairs and maintenance to the roof, marquee, HVAC system, and digital equipment.

Business Plan

My goal is to manage the Greenbelt Theater as a first-run movie theater for quality art films in a single screen theater with a renewed partnership with the City and the community to screen alternative programming as well.

My business plan is based on the projected operating budgets for 2015-2017 included here. I am working on the assumption that for the year 2016 there will be a 2% increase in both box office and concession stand sales with a corresponding increase in admissions tax to the City. In 2017 I would hope for another 1% increase.

I intend to use much of the City's subsidy to upgrade my advertising and promotion program. The theater would continue to be featured in local newspapers along with the Washington Post, etc., and on the P & G Theatres website and updates on the patrons weekly emails. However, I will be contracting with a local graphic designer to create a new website and other social media while I continue to reach out through traditional advertising for an audience beyond Greenbelt.

One Contract for Operating the Theater

My business plan is based on the assumption that there would be one contract for operating the theater. I make this suggestion for practical reasons, and also to make the theater available to the entire community.

Practical considerations: If the City included a second contracted operator, that operator would need his/her own insurance, plus would have the responsibility for paying for the utilities for the time he/she used the theater, with separate contracts for heat, electricity, and water. A second contractor would also need to file with the state for tax purposes separately.

Community use: I would like the entire community to be able to use the theater when it is not in use for regular screenings – not just one group. For example, I would like the Utopia Film Festival and the GAVA/GATE Animation Program to be able to continue to use the theater space without having to work through a second contracted operator. My plan is to add a Community Outreach Coordinator to my staff to work with community groups, which would mean all groups would have equal access to the space.

Greenbelt Theater: P & L Projection for 2015 (12 months of operation)

INCOME	EXPENSE	
Box office 190,000.00	Accounting	3,000.00
Concession sales 62,000.00	Advertising	10,000.00
Total income 252,000.00	Bank service charges	462.00
	Booking	3,600.00
COST OF GOODS	Credit card discounts	3,570.74
	Dues	25.00
Concession supplies 13,020.00	Film delivery	1,500.00
Film rental expense 96,900.00	Insurance	5,400.00
Total COGS 109,920.00	License	325.00
Gross profit 142,080.00	Miscellaneous expense	179.00
	Office expense	524.00
OTHER INCOME	Payroll	
OTHER INCOME	Payroll taxes	21,954.25
Greenbelt support	Payroll	63,141.54
payments 20,000.00	Total payroll	85,095.79
Total other income 20,000.00	Personal property tax	1,360.00
NET income 27,316.94	Repair & maintenance	2,500.00
	Supplies	1,297.24
	Telephone	2,232.86
	Utilities	
	Electric	7,994.86
	Gas	5,695.86
	Total utilities	13,690.72
	Total expense	134,763.06
	NET ordinary income	7,316.94

First-Run Versus Second-Run Theaters: Why the Greenbelt Theater Is A First-Run Operation

I am committed to operating the Greenbelt Theater as a first-run quality art film theater. Not all single-screen movie theaters choose this route. Some single-screen theaters operate as 2nd or 3rd-run art theaters. By not operating as a first-run theater, the theater operators are allowed by their distributors to interrupt the showing of their films for alternative screenings.

I do not recommend this route for the Greenbelt Theater because I do not believe it is economically sustainable. For example, the Greenbelt Theater can be compared with the Colonial Theater in Phoenixville, Pennsylvania, which has a history of running classic film and is not a first-run theater.

Below is a chart I have prepared giving a comparison of dates opened and gross ticket sales for 2013 between the Greenbelt Theater and the Colonial. The Colonial ran all of the films listed here later than the initial release date, and later than the Greenbelt Theater. In each case, the gross receipts were considerably less than at the Greenbelt Theater. I have also included here a letter from 20th Century Fox which explicitly states that the interruption of any first-run film with another film is prohibited. Also enclosed are printouts from Rentrak* detailing the films and gross receipts form the Greenbelt and the Colonial Theaters in 2013.

	THE GRE	THE GREENBELT		THE COLONIAL		
TITLE	DATE OPENED	GROSS	DATE OPENED	GROSS		
QUARTET	3/1/13	\$15,242	3/15/13	\$3,826		
SILVER LININGS PLAYBOOK	2/8/13	\$13,620	2/15/13	\$7,623		
GREAT GATSBY	5/10/13	\$14,810	6/14/13	\$2,294		
BLUE JASMINE	8/16/13	\$14,748	9/14/13	\$2,299		
PHILOMENA	11/29/13	\$12,941	12/20/13	\$6,328		
ENOUGH SAID	10/4/13	\$10,600	11/1/2013	\$4,003		
THE WAY, WAY BACK	7/19/13	\$10,404	8/16/13	\$5,140		

2013 ANNUAL BOX OFFICE GROSS: GREENBELT: \$184,429.00 | COLONIAL: \$95,308.00

The Greenbelt Theater is competing for a discriminating, sophisticated audience in a competitive metropolitan area. The Greenbelt Theater, so long as it screens first-run quality art films can successfully compete. We have the advantages of low-admission prices, plenty of free parking, and a large screen with the latest in digital projection equipment in an historic theater that is partially renovated with the promise of full restoration to come!

^{*}Rentrack is a service that collects box office data from movie theaters.



TWENTIETH CENTURY FOX

January 20, 2012

Re: Prohibition on Sharing Show Times

Dear Exhibitor:

As we begin what we anticipate will be a great new year for moviegoing, we wanted to once again call your attention to Twentieth Century Fox's and Fox Searchlight's policies prohibiting the sharing of show times on any screen exhibiting a Fox or Fox Searchlight film (absent express permission to do so). The unauthorized sharing of show times results in our motion pictures playing fewer shows each day than the number to which we are entitled by contract, and constitutes a breach of your license agreement.

When an exhibitor licenses a Fox or Fox Searchlight motion picture, the license agreement provides (unless otherwise expressly agreed) for the picture to play each day and each performance during the normal operating hours of the theater. We spend millions of dollars producing and marketing our pictures, and to provide us with a fair return on that investment, it is essential that our films be exhibited at all contracted for show times.

Accordingly please be advised that our policy continues to be that any theater failing to adhere to our showtime requirements is subject to being removed from service by Fox or Fox Searchlight for an indefinite period of time. Please note that this removal from service will be immediate, and will prevent the offending exhibitor from licensing or exhibiting any additional Fox or Fox Searchlight motion pictures, without regard to the status of negotiations on any future picture. Of course, we hope and expect that you will adhere to this policy, making any such remedial action unnecessary.

Sincerely,

Chris Aronson

prio arones

Sheila DeLoach

Sheila De Joseph/



Paul Sanchez - 8/26/14 (10:34 AM) | Logout

Box Office

Data from 01/01/2013 to 12/31/2013, Same Theater

Old Greenbelt Theatre

Theatre Lookup

Rank Title	Dist	Date of First Engagement	Opening Wknd Gross	Opening 7 Day Gross	Date Range Gross
1 Lincoln	DIS	01/18/2013	4,754	7,692	15,613
2 Quartet	TWC	03/01/2013	4,778	6,316	15,242
3 Great Gatsby, The	WB	05/10/2013	3,539	5,407	14,810
4 Blue Jasmine	SPC	08/16/2013	4,724	6,165	14,748
5 Silver Linings Playb	TWC	02/08/2013	4,356	5,916	13,620
6 Philomena	TWC	11/29/2013	5,564	7,242	12,941
7 American Hustle	SNY	12/20/2013	4,084	7,486	12,590
8 Enough Said	FSL	10/04/2013	3,660	5,054	10,600
9 Way, Way Back, The	FSL	07/19/2013	3,190	4,349	10,404
10 Les Miserables	UNI	12/25/2012	4,038	9,155	8,134
11 Captain Phillips	SNY	11/01/2013	2,730	3,778	6,381
12 12 Years A Slave	FSL	11/15/2013	2,536	3,597	6,182
13 Unfinished Song	TWC	07/05/2013	2,168	3,027	5,462
14 Place Beyond the Pin	FOC	04/12/2013	1,829	2,721	4,716
15 Before Midnight	SPC	06/14/2013	1,830	2,478	4,501
16 Mud	RSA	08/09/2013	2,428	3,695	3,695
17 Lee Daniels' The But	TWC	09/27/2013	1,942	3,664	3,664
18 Big Wedding, The	LGF	04/26/2013	1,538	2,306	3,601
19 Now You See Me	LGF	06/28/2013	2,158	3,440	3,440
20 42	WB	06/07/2013	2,314	3,187	3,187
21 Admission	FOC	04/05/2013	2,342	2,950	2,950
22 Gatekeepers	SPC	03/29/2013	1,472	2,500	2,500
23 Wadjda	SPC	10/25/2013	1,625	2,374	2,374
24 Fruitvale Station	TWC	09/20/2013	1,136	1,708	1,708
25 We're The Millers	WB	09/13/2013	780	1,368	1,368
			71,512	107,572	184,429

AR: Auditorium Rental AS: Auditorium Screening CW: Closed Weekdays DP: Damaged Print EF: Equipment Failure FF: Film Festival MC: Movie Canceled NA: No Authorization NB: No Bookings ND: Called, No Data Available NE: No Engagement NP: No Patrons PR: Pending Revenue SS: Special Screening TC: Temporarily Closed TR: Theatre Rented W: Weather

Theater Detail

DMA: Washington, DC (Hagrstwn)

Area: Washington, D.C.

Zone: College Park, Md.

Branch: DC

Circuit/Theatre ID: P&G / Circuit Website:

Old Greenbelt Theatre 129 Centerway Greenbelt, MD 20770-0804

12480

www.pandgtheatres.com

Old Greenbelt Theatre

Owner Website www.pandgtheatres.com/greenbelt.asp

Booking X-Ref No: # of Screens:

1 Yes

Is Open: Date Open:

@wner:

Date Closed:

Is Reporting: Yes 05/16/2006

Is Drive-In: No Is Temp Closed: Reopen Date:

Boxoffice Recording:

Name: DR: 301-593-2460 -Angela

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2013

Rob Lawinski - 8/31/14 (1:15 PM) | <u>Logout</u>

Box Office

Data from week 01/04/2013 to 01/02/2014, Same Theater

Colonial

Theatre Lookup

Rank Title	Dist	Date of First Engagement	Opening Wknd Gross	Opening 7 Day Gross	Date Rang Gros
1 Mud	RSA	07/19/2013	2,966	4,702	7,77
2 Silver Linings Playb	TWC	02/15/2013	3,089	4,592	7,62
3 Philomena	TWC	12/20/2013	1,272	2,778	6,32
4 Way, Way Back, The	FSL	08/16/2013	2,091	3,324	5,1
5 2013 Oscar Shorts	SHORT	02/01/2013	2,559	3,718	4,9
6 Life Of Pi	FOX	01/18/2013	2,390	3,384	4,5
7 Enough Said	FSL	11/01/2013	1,330	2,483	4,0
8 Hitchcock	FSL	01/04/2013	1,545	2,410	3,9
9 Quartet	TWC	03/15/2013	1,308	2,226	3,8
10 Blue Jasmine	SPC	09/14/2013	1,123	2,109	3,29
11 Before Midnight	SPC	07/05/2013	1,892	2,563	3,29
12 Frances Ha	IFC	. 06/21/2013	930	1,585	3,19
13 Amour	SPC	03/01/2013	1,328	2,026	3,09
14 All Is Lost	RSA	11/29/2013	1,942	3,014	3,0:
15 Gravity	WB	11/15/2013	1,139	1,797	2,95
16 12 Years A Slave	FSL	12/06/2013	690	1,260	2,50
17 Place Beyond the Pin	FOC	04/26/2013	1,001	1,539	2,40
18 Great Gatsby, The	WB	06/14/2013	1,041	2,294	2,29
19 Company You Keep, Th	SPC	05/24/2013	1,724	2,204	2,20
20 Inequality for All	RAD	10/18/2013	623	1,941	1,94
21 Unfinished Song	TWC	08/09/2013	1,036	1,762	1,76
22 In A World	RSA	10/11/2013	832	1,465	1,46
23 No (SPC)	SPC	05/31/2013	479	964	1,41
24 Gatekeepers	SPC	04/12/2013	740	1,321	1,32
25 Bling Ring, The	A24	08/03/2013	737	1,285	1,28
26 Spectacular Now, The	A24	09/06/2013	827	1,271	1,27
27 Birders: The Central	MUSIC	03/29/2013	602	1,219	1,21
28 Fruitvale Station	TWC	08/30/2013	745	1,177	1,17
29 Lore	MUSIC	04/19/2013	626	1,101	1,10
30 Upstream Color	IND	05/10/2013	477	1,012	1,01
31 Don Jon	REL	10/25/2013	489	991	99
32 World's End, The	FOC	09/27/2013	521	937	93
33 42	WB	05/19/2013	186	917	91
34 Django Unchained	TWC	04/08/2013	0	690	69
35 Camioneta, La	IND	10/04/2013	241	450	45
36 Trashed	IND	04/22/2013	0	69	
			40,521	68,590	95,30

AR: Auditorium Rental AS: Auditorium Screening CW: Closed Weekdays DP: Damaged Print EF: Equipment Failure FF: Pilm Festival MC: Movie Canceled NA: No Authorization NB: No Bookings ND: Called, No Data Available NE: No Engagement NP: No Patrons PR: Pending Revenue SS: Special Screening TC: Temporarily Closed TR: Theatre Rented W: Weather

Theater Detail Colonial 227 Bridge St Phoenixville, PA 19460-3449 Philadelphia Circuit/Theatre ID: Milgram / Branch: PHL Circuit Websites Area: Philadelphia, PA Owner: Colonial Theatre www.thecolonialtheatre.com Zone: King of Prussia Owner Website: Booking X-Ref No: 12594 # of Screens: Is Open: Yes Date Open: Date Closed: Is Reporting: Yes Is Drive-In: No Is Temp Closed: No Reopen Date: **Boxoffice Recording:** DR 610-917-1228 Scott Name:

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P&G Theatres, Inc. History

THEATRE	LOCATION	SCREENS	DATES OPERATED	
Solomons Cinema	Solomons, MD	1	1970 - 1973	
Greenbelt	Greenbelt, MD	1	1973 - 1976	
Allen	Takoma Park, MD	2	1975 - 1990	
Flower	Silver Spring, MD	4	1980 - 1997	
Riverdale Plaza	Riverdale, MD	2	1982 - 1996	
Andrews Manpr	Camp Springs, MD	2	1986 - 1996	
Laurel Town Center	Laurel, MD	2	1986 - 1996	
New Carrollton	New Carrollton, MD	1	1985 - 1988	
Greenbelt Theatre	Greenbelt, MD	1	1990 - Present	
Montgomery Village	Montgomery Village, MD	3	1991 - 1999	
Herndon Twin	Herndon, VA	2	1991 - 1996	
Chester 5 Cinemas	Chestertown, MD	5	1996 - Present	
Carrollton 6 Cinemas	New Carrollton, MD	6	1997 - 1999	
Essex 5 Cinemas	Tappahanock, VA	5	1999 - Present	
Montgomery Mall	Bethesda, MD	3	2000 - 2010	
Wheaton Plaza	Wheaton, MD	11	2006 - 2008	
Avalon*	Washington, DC	2	2002 - 2005	
Academy 8*	Greenbelt, MD	8	2006 - 2011	

Total: 17 Total: 60

^{*}Management Contract

BACKGROUND & EXPERIENCE

Paul Sanchez: Early Experience in Theater Management

My love for movies and movie theaters began when I first attended the Hyattsville Theater in the late 1950's. I spent countless Saturday matinee shows with friends watching the latest science fiction double-feature. Within a year or two, I discovered my father had an 8mm movie projector, complete with cartoons and other short subjects. After a lot of persuasion, my father let me use his projector for my own theater, located in our basement. From that point on, I was selling tickets to my playmates to watch cartoons in my basement cinema! This was also the start of my compiling what would become a large film collection.

During my freshman year in high school, I made a friend who worked part-time in a real movie theater. In a few weeks, he took me to work with him at the Colony, an old ornate theater on Georgia Avenue in N.W. Washington, D.C. The Colony was a former Warner Brothers theater, which had opened in 1926, and had a seating capacity of 1,000. It was truly an impressive building. Now, in addition to old films, I was in love with historic theaters! I began working as an usher and eventually became a projectionist.

After graduating from high school, I started working in "The Film Center", in Washington, D.C. This was the largest 16mm film library at the time in the city. My job was to inspect a film when it was returned after its showing and to order replacement footage and repair the film if a customer damaged it.

In 1970, my friend Gerald Robertson and I took over the operation of the D & L Theater located in Solomons, Maryland. We called the company P & G Theaters, after Paul and Gerald, and renamed our theater the Solomons Cinema. I was the projectionist, Gerald sold tickets, and his wife Janet worked the concession stand. It was an exciting time. Although we did not earn a lot of money, it was great on-the-job training.

Early Experience with the Greenbelt Theater

In 1973, after Gerald had left to pursue other interests, I took over the Greenbelt Theater with another partner, Jeanette Louck, a long-time Greenbelt resident. This was in 1973. The theater was pretty run-down at this point. Over approximately a year, we renovated the theater, which involved redoing the seating, installing new carpet flooring, and adding wall fabric (it was cinder block before). Business then skyrocketed.

Then, after a year and a half, the Academy 6 Theaters opened in Beltway Plaza. After they opened, we decided that there would not be enough revenue for two people, and Jeanette bought me out. I then took over the Allen Theater, in Takoma Park, Maryland. Unfortunately, Jeanette went out of business about a year later. She sold all the equipment and closed the Greenbelt Theater. It remained vacant for many years until the reopened it for plays as the Utopia.

My business continued to grow for the next fourteen years as we added other theaters. By the late 1980's, I was looking at the Greenbelt Theater for use as a discount theater. The theater had been completely stripped of all equipment, there was trash everywhere, the old heating system was inoperable, and somebody had suspended a gas space heater from the ceiling, the type used in gas stations! I negotiated a lease with George Christacos, the landlord, and spent the next five months renovating the theater: installing new seating, the Dolby stereo sound system, and a giant 40' curved Cinemascope screen. Seeing a film in the Greenbelt Theater for only \$.99 was indeed a real bargain in those days!

We reopened the Greenbelt Theater on Christmas Day, 1990. Business started off a little slow, which was to be expected, as the theater had been closed fourteen years! However, after several years, it was still operating at a loss. I raised the admission prices and starting booking in newer art films. Most of the film companies were reluctant to give us first-run films, in spite of the fact that no other theater in Prince George's County was exhibiting them!

The Avalon Theater: An Experiment in Community Theater

Because of my experience and success at the Greenbelt Theater, in early 2002 I was approached by Bob Zich, a resident of Chevy Chase, with a the idea of the community taking over the operation of the Avalon Theater. The Avalon, which opened in 1923, was a real gem, although it was in need of extensive restoration. It had recently closed, due to the operator, Cineplex Odeo, filing for bankruptcy. Before vacating, the operator stripped all the equipment from the building. Mr. Zich and a few others formed the Avalon Theater Project, with the express purpose of restoring and reopening the theater. They asked me to come on board as a consultant.

I volunteered to meet with them each week for a year prior to the grand opening. We discussed every facet of what was needed to reopen this historic theater. Everyone was a volunteer, and extremely dedicated to this goal. It was a labor of love for all of us. I was the operator of the business for the first two years. In 2003 I hired Rob Lawinski as the film booker. Mr. Lawinski had been associated with the film business for a number of years before entering the film booking business. By booking over 100 screens, he has a lot of buying power, which was an important factor as the Avalon was now an independent operation and was surrounded by theaters owned by AMC, Regal, etc. The Avalon has since become an important cinema art house in the Washington area.

I am proud of my work at the Greenbelt Theater and the Avalon Theater, both historic theaters that have been saved from destruction. They are highlights of my years in the theater business.

The City Gains Ownership of the Theater Building

It was around 1999 that a rumor started circulating that George Christacos was exploring the idea of converting the theater into a dollar store. The City then arranged to obtain the theater building from Mr. Christacos. Also, the Friends of the Greenbelt Theater formed, to formulate ideas to increase attendance at the theater. Anyone was welcome to join with the goal of helping to promote the Greenbelt Theater. We met once a month with many meetings filled to capacity.

I decided to hire a professional film booking agent, Rob Lawinski, from New York City, which turned out to be a very good move. We started getting more first-run art quality films. I then started doing monthly ValPak coupon mailings. We were able to mail these coupons to specific zip codes. When a patron presented a coupon at the box office, we were able to tell where they were coming from. After doing this for almost four years, we determined that 78% of our patrons were coming from outside of Greenbelt! In fact, people would call for directions to the theater from Virginia, Washington, D.C., Gaithersburg, etc.

There were three reasons why I believe this was happening: 1) we had the lowest admission prices for first-run art films in the entire metropolitan area 2) parking was free and plentiful 3) the theater is one of a kind: a single-screen theater (most of our customers grew up with them) with lots of charm. The Greenbelt Theater is truly "one of a kind!"

In addition to first-run art films, I continued to screen vintage movies. Although attendance was generally tepid, except for the the Alfred Hitchcock Festival, screening these vintage films in a theater that was built during Hollywood's golden era was well worth the effort and expense. I always felt that the people who attended were grateful for the chance to see these films in a theater on a giant screen.

THE FUTURE OF THE GREENBELT THEATER

The Community and the Greenbelt Theater

I have always felt that the Greenbelt Theater is one of the very few "community oriented theaters" still operating in the metropolitan area. I have always made the theater available to community organizations, including:

- · Greenbelt Museum
- City of Greenbelt's 75th Anniversary Program
- Utopia Film Festival
- GAVA/GATE Animation Program, including Greenbelt New Year's Eve screenings
- · St. Hugh's School after-school film show program with Larry Hilliard
- lst Kale Festival
- Prince George's County Memorial Libraries: free monthly classic film series
- Reel-to-Reel Fund Raising shows, December, 2013, with the Friends of Greenbelt Theater & the Greenbelt Community Development Corporation

A New Partnership With the City of Greenbelt and the Community: the Next Three Years

In 2013 the City successfully participated in the Partners in Preservation Program. I was pleased to be able to assist by working with the Greenbelt Community Development Corporation. We passed out leaflets produced by the GCDC explaining the project to all our patrons, and I also used our extensive email list of patrons, most of whom live outside of Greenbelt. I continued to work with the City in May, 2014, with screening classic films: donations were for the restoration of the theater and we earned \$500.00 for that purpose. The previous December, I worked with the Friends of Greenbelt Theater and the GCDC to screen films for donations towards purchasing a reel-to-reel projection system. I look forward to continuing this cooperation as the City begins to work on Phase 2 of the restoration.

The Greenbelt Theater's Role in the Revitalization of Roosevelt Center

It has taken many years to find the right film programming for the Greenbelt Theater, which has turned out to be quality art films screened on a first-run basis. Also, it has taken a number of years for our film booker to convince the distributors to give us first-run films. It helped that I have been dealing with these same people for over 40 years and have an impeccable credit rating with all of them.

Our weekly average attendance in 2013 was almost 600 people, and approximately 78% of them were people living outside of Greenbelt, which creates business for Roosevelt Center merchants. In fact, the Beijing Restaurant was always inquiring when the next new movie would start. The theater is a magnet pulling in people from all over the metropolitan area, including Virginia. The Greenbelt Theater is a powerful economic generator for Roosevelt Center!

Between the reopening of the theater in 2015 and Phase 2 renovations the Greenbelt Theater will need to reengage its audience by trying new ideas, such as a special festival to tie into Greenbelt Day. The Greenbelt Museum could bring displays into the lobby. The Museum could also use the theater as the starting point for tours of historic Greenbelt.

Community Use of the Greenbelt Theater

With the installation of the digital projector, I predict there will be an increase in independent and community film projects. Not having digital capabilities has been a hindrance for many groups up to now. There is a considerable amount of time that the theater is dark, and could be used by community groups.

The theater could be available for other use from Mondays to Fridays from 9:00 AM-4:00 PM. On Saturdays, it could be available from 9:00 AM to 12:30 PM. It would also be possible to have the theater available on Sundays, at the same times, if the city chooses that option. These hours are determined by the contract obligations we enter into in order to run first-run films.

If the City of Greenbelt renews my contract, I will continue to operate the Greenbelt Theater in a first-class professional manner. I look forward to continue to screen first run quality art films, and to working with the community to bring in alternative programming as well.

A New Vision For the Greenbelt Theater

Roosevelt Center is the historic arts and entertainment center of Greenbelt. The fully-renovated Greenbelt Theater could be a catalyst for a vibrant coordinated art district with the Greenbelt Arts Center and the New Deal Cafe that will be of value to the Greenbelt community. It will also bring visitors from outside Greenbelt — those 78% of its patrons that live elsewhere and that come to the Greenbelt Theater attracted to its program of first-run art films in a historic movie theater.

A center for film at the Greenbelt Theater could be created in Prince George's County similar to programming to the AFI in Silver Spring. Over the recent past there has been significant turnover in occupancy in Roosevelt Center, some of it a loss such as the post office and bank. At the same time, new enterprises such as Chef Lou's Desserts and Greenbelt Makerspace and Activity Center have come in. There is the possibility that a space could become available for a secondary screening theater within the next five years.

A center for film would need a second screening theater to thrive. This venue would not require the large seating capacity of 400 that the Greenbelt Theater has: probably 75 seats would be adequate. The Greenbelt Theater could continue to be run as a first-run quality art house by a community non-profit or cooperative, in conjunction with the second theater space focused on alternative programming, including screening archival films using a reel-to-reel projector. The first-run film theater would subsidize the second theater, along with grants, memberships and donations. This model has proved to be successful at other single-screen theaters that add a second theater space, combining profitability with alternative community programming. The first-run quality art films are critical to their success. The Avalon in our area, and the Charles in Baltimore are good examples.

P & G Theaters would be happy to work with and mentor any Greenbelt community group that would like to undertake this mission. I would be willing to collaborate with them to screen films at the Greenbelt Theater, if we obtained the contract for operating the theater. From my previous experience in helping to reopen the historic Avalon Theater I saw first hand how people from the neighborhood came together and formed a group to save their theater. I am sure that Greenbelters could be just as determined and resourceful!

SUPPORTING DOCUMENTS

ROBERT K. HEADLEY, PH.D. 6510 41ST AVE., UNIVERSITY PARK, MARYLAND 20782 rheadle1@umd.edu THEATER HISTORY

To Whom It May Concern:

This letter is in support of Mr. Paul Sanchez of P & G Theaters to continue operating the Greenbelt Theater after the current renovations are completed.

I have known Mr. Sanchez for over 40 years. I have seen him develop into the major independent exhibitor in the Washington area. During this time he has operated more than 9 movie theaters from large single-screen theaters to six-screen multiplexes. He has an intimate knowledge of motion picture exhibition in this area and has an excellent working relationship with film distributors. Mr. Sanchez is not only knowledgeable about film exhibition and distribution, but he is also skilled in the technology of film projection from carbon-arc projectors to the newest digital technology. He has operated the Greenbelt Theater successfully for the past 24 years. He is clearly the best person to continue operation of the Greenbelt Theater.

Mr. Sanchez's operation of theaters like the Avalon and Greenbelt in the past has always been characterized by his working closely with the local communities. Like the great local exhibitor, Sidney Lust, Mr. Sanchez knows the value of community input. I am certain that he will operate the Greenbelt Theater in the same way.

I have researched the history of motion picture theaters and exhibition in Washington, Baltimore, Maryland and several other states since 1968. My publications include histories of motion pictures in Washington and Baltimore and a book on the theaters of Maryland. I have served as vice-president of the Theatre Historical Society of America and editor of *Marquee*, the Society's journal. I have enjoyed attending movies at the Greenbelt for 40 years, and I look forward to continuing that attendance in the future.

If I can provide any additional information in support of Mr. Sanchez, please do not hesitate to contact me.

Quick(Titre) ** and a decorreressor e needed to see this picture

Statement by Dr. Robert K. Headley on Greenbelt Theater, 10 September 2014

Good evening,

My name is Robert Headley. I'm pleased to make a statement in support of Paul Sanchez to operate the Greenbelt Theater.

I have researched the movie theaters of Maryland especially the Baltimore and Washington metropolitan areas for over 40 years. I have written several books about the history of motion picture exhibition in these places, and I have lectured throughout the area. I served as vice-president and editor of the journal of the Theatre Historical Society of America from 1980 to 1986. I have attended the Greenbelt Theater countless times since the 1970s. As a resident of Prince George's County, I consider the Greenbelt Theater my neighborhood theater. My wife and I have sorely missed this wonderful theater while it has been closed for remodeling. On several occasions, we have said about a newly released film, "That's a Greenbelt movie" and lamented that we could not see it at the Greenbelt.

This is a classic situation of the adage, "If it's not broken; don't fix it." I believe that there is some question about who will operate the Greenbelt Theater when it reopens. There should be no question about this. Paul Sanchez has successfully operated this theater for many years. He has crafted it into the premier theater in Prince George's County for art films. You won't see exploding bombs and preposterous car chases here. Under his management, people come from all over the metropolitan area to enjoy first-run films here.

I am sure you don't need to hear a lot about what sets the Greenbelt Theater apart from the multiplexes and megaplexes that surround Washington, the City of Greenbelt has long recognized the uniqueness of its theater and taken measures to safeguard it, but here are a few points to consider:

- The Greenbelt shows first-run art films in a traditional auditorium with excellent projection and sound.
 - There is abundant free parking
 - Admission is considerably cheaper
 - The atmosphere in the theater is conducive to watching the movie.

The Greenbelt Theater also received kudos on the Cinema Treasures website (<cinematreasures.com/theaters/214>

Why should Paul Sanchez operate this theater? There are many reasons.

• He has been associated with the Greenbelt Theater for over 40 years

- He has operated more than 10 theaters and has an intimate knowledge of motion picture exhibition in this area
 - He has a good reputation with the film companies and distributors
- He has single-handedly turned the Greenbelt from a practically unknown, well-hidden second-run theater into one of the finest art houses in the area.
- He has given the citizens of Greenbelt and Prince Georges County easy access to first-run art films.
- He has cooperated with local non-profit groups to make the theater available for film festivals
- He shows free films from his large library of old films at regular screenings throughout the year.
- Under his management the Greenbelt beat out 7 other historic sites and shared 4th place for grants in the 2013 Partners in Preservation contest. Only The Washington National Cathedral, Mount Vernon and an historic church in the District received higher grants.

This said, I can see no reason why the theater should not be used during off times for the showing of classic films. But it must be run by a professional; it simply cannot be operated by well-meaning amateurs with little or no experience running a movie theater. It cannot be run as a classic film theater and expect to make money. I devoutly hope that Mr. Sanchez will continue to operate the theater. Following the remodeling and under his management I believe that the theater will fluorish and continue in its unique position as Prince George's County's only art theater and one of the finest movie theaters in the metropolitan area.

Thank you for this opportunity to speak.

July 8, 2014

Emett V. Jordan Mayor Greenbelt City Council Greenbelt, Maryland

Dear Mayor Jordan,

I have known Paul Sanchez for more than thirty years and have long admired his theater management ability. During the years I've known Paul I have seen him bring new life to distressed theaters including The Flower, The Montgomery Mall Cineplex, the Avalon and the Greenbelt. Paul loves old theaters, loves the theater business, and knows how to make a distressed theater profitable.

I hope you will continue his management of the Old Greenbelt Theater. Paul has made the Greenbelt thrive with a combination of hard work, knowledge of the business, and appreciation of the Greenbelt's position in the community.

Sincerely,

Arch Campbell Entertainment Reporter WJLA-TV News Washington, D.C.

acampbell@wjla.com

------ Original Message ------- Subject:Re: Paul Sanchez

Date: Fri, 27 Jun 2014 18:51:14 -0400 (EDT) From: Donna Denney <cdejk@aol.com>

To:pgtheaters@gmail.com

Mayor Emmett Jordan Members of City Council Gity of Greenbelt

To Whom it may concern:

Hello My name is Kevin Denney. For several years in the late 1990's and early 2000's, I was the president of The Friends Of The Greenbelt Theatre (FOGT). Our sole task was to insure that the theater continued to operate in a profitable manner. This was done by raising funds through festivals and other events. For example, we had a film festival showcasing local film makers that raised \$11,000.00. We also had a showing of It's A Wonderful Life, with a special appearance by one of the cast members, at Christmas time. This was a huge success, and the theater was filled to capacity. These were set up and coordinated by Paul Sanchez with input from FOGT members.

FOGT also spent a night unloading new theater seats that were ordered by Paul. FOGT held monthly meetings and I personally attended several city council meetings with Paul, when the theater was on the agenda.

I feel that Paul Sanchez along with FOGT worked hard to keep the single screen Greenbelt Theatre open and running during a difficult time.

If you need to contact me for any reason, I can be reached at 301-249-3095, or via email at CDEJK@aol.com.

Thank you, Kevin Denney

----Original Message---From: Paul Sanchez spgtheaters@gmail.com
To: cdejk cdejk <

8/20/2014:

GREENBELT MUSEUM

Paul Sanchez P & G Old Greenbelt Theater 129 Centerway Greenbelt, MD 20770

Dear Paul,

April 20, 2005

On behalf of the City of Greenbelt and the Friends of the Greenbelt Museum I would like to thank you for all you did to make the sneak preview screening of FDR A Presidency Revealed a success. Everyone I've spoken to enjoyed the event and the film very much. It was such a fitting way for people in Greenbelt to remember FDR on the anniversary of his death.

Your staff, especially your theater manager Bob, was very helpful in allowing us to set up the equipment and tables in advance. They should be commended as well.

I hope that the Greenbelt Museum will be able to partner with the Greenbelt Theater in the future for events and programs that foster learning and appreciation of the humanities.

Sincerely,

Katie Scott-Childress

Curator/Director of Historical Programs

Greenbelt Museum



Mayor Emmett Jordan and Members of City Council City of Greenbelt Greenbelt, Maryland

Dear Mayor Jordan and Members of Greenbelt City Council,

Over the past 15 years, the Greenbelt Theater under the operation of P & G Theatres has been a great partner for the GAVA/GATE Animation Program. It has shown the work of our students and that of other students, beginning with our "Vids By Kids" program, which was produced before the advent of the Utopia Film Festival. In more recent years, we screened our students' animated shorts and examples of independent animated features at the Greenbelt Theater as part of the city's New Year's Eve Celebrations. In we celebrated our 10th anniversary with a gala screening at the theater of 10 years of our students' animation! Throughout these years, Mr. Paul Sanchez and his staff have been extremely helpful and supportive, displaying a genuine enthusiasm for working with us as partners in developing unusual film experiences for the community.

For several years we have contemplated the possibility of a full scale animation festival at the Greenbelt Theater. The only obstacle was that the theater lacked a digital projector. Now that a digital projector is included in Phase 1 of the restoration, we hope to be able to work with P & G Theatres on a plan for an animation festival that would be unique in the Baltimore-Metropolitan DC area. Such a festival would bring new visitors to Roosevelt Center and help in the Center's revitalization as the historic arts and entertainment center for Greenbelt.

Very sincerely yours,

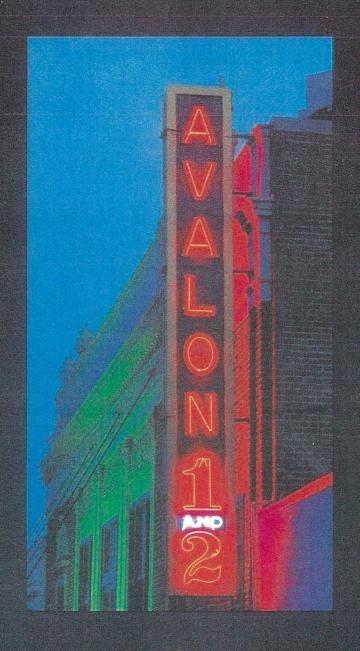
Barbara Simon, Director

Babara Simon

GAVA/GATE Animation Programming

15 Crescent Road

Greenbelt, MD 20770



AVALON THEATRE

Rediscover the Magic of the Movies An Interview with Paul Sanchez

It's A Wonderful Life



Veteran movie operator Paul Sanchez has been contracted to run the commercial side of the Avalon. With more than three decades of experience in the movie theater business, Paul will use his expertise to bring in high-quality films and increase the vitality of the Avalon.

Paul is president of P&G
Theatres, which
currently owns and
operates four movie
theaters in the
Washington
metropolitan area. One
of these movie houses is
The Old Greenbelt

Theatre in Greenbelt, MD, a classic theater similar to the Avalon. Built in 1938, The Old Greenbelt is a single-screen theater with art-deco styling. After the theater had been closed for more than a decade, Paul restored and reopened it in 1991.

Over the past year, Paul has played an integral part in the reopening of the Avalon. Thanks to his extensive knowledge of the movie theater business, a highly respected reputation, and a passion for movies and historic theaters, the Avalon is in excellent hands.

Are you originally from the D.C. area? Yes. I was born in Hyattsville, Maryland, and moved to Silver Spring in 1980.

When did you first get involved in the movie business and why?

At eight years old! I would show movies in my basement to my friends and charge admission. I started making 8mm movies when I was thirteen, and also got a job in a movie theater during high school. My first feature-length film was shot during high school, and I recovered all its costs by showing it to my classmates. We probably won't show my film at the Avalon.

I bought my first theater in 1970 at the age of 21. This was a small theater on Solomon's Island, MD, which was open on weekends. A few years later, in 1973, I purchased The Old Greenbelt. Ever since then, I've been in theaters. I'm probably one of the lucky ones who knew at an early age what he wanted to do and got to do it.

What are your three favorite movies?

Only three? The original King Kong from 1933. I love that movie and can watch it again and again. The other two have to be It's a Wonderful Life and It's a Mad, Mad, Mad, Mad World.

Which other theaters do you currently operate?
I operate four theaters in addition to the Avalon:
The Old Greenbelt, Montgomery Mall,

The Chester 5 on the Eastern Shore, and The Essex 5 in Tappahannock, Virginia.

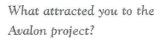
What is the best part of operating The Old Greenbelt? I love the people who come to the theater because they love the theater so much. We have a lot of old photographs and I hear many stories about the theater from the people.

I also like when people ask, "Which door do I go in?" I tell them any door because it's all the same theater, unlike the "cattleplexes" most people are accustomed to these days.

The renovation and reopening of the Avalon required several hundred thousand dollars and thousands of volunteer-hours. Few projects can garner that kind of support. What is different about the Avalon project? One thing I think that is different is how many local residents have been actively involved in the Avalon project. I can't think of another movie theater in the D.C. area with such support. It's pretty remarkable, considering the cost of renovation and reopening.

Another thing that is different is that the Avalon is definitely a work of art. When it was closed in 2001, it was in need of serious renovation, but the residents still loved it. I think everyone will be amazed and impressed

by the renovation.



I've always been interested in the single-screen theaters.

Historically, the Avalon has been a crown jewel. It's a classy theater with beautiful architecture. It's a prime example of what movie theaters were like in the 1920s. The Avalon has so much history. It's been through all types of film – silent, black and white, films having the sound on a synchronized record, 3-D films, you name it.

Did you ever see movies at the Avalon before it closed? I've seen many movies at the Avalon. One of my more vivid memories, for better or for worse, was the exhibitor's screening of Jaws 3 in 3-D. Awful!

What types of films can audiences expect to see at the Avalon?

We will have a wide variety of films-mainstream, artistic, documentaries, foreign.

Does the Avalon plan to show children's movies at special times?

Yes. We will be showing children's movies, probably with early screenings on the weekends.

Have you ever operated a theater as a not-for-profit enterprise before?

Not intentionally, but anyone who operates a local theater apart from the big chains knows the challenge. I think my experience with The Old Greenbelt will easily transfer to the not-for-profit scenario of the Avalon.

What do you see as the biggest challenge for the Avalon's success?

Getting the movies we want. We've hired a booker in California, but the challenge we'll have is competing with the major chains. They're in it to make money. We're in it to show movies and provide a community resource. Support from the community will be very important.

I'm looking forward to operating the Avalon because I think we'll have a lot of great responses here. I think we'll hear a lot of stories of "I remember when..." I hope to hear all those stories.

